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FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1281

RIN 2590-AA48

Federal Home Loan Bank Housing Goals: Mortgage Reporting Amendments

AGENCY: Federal Housing Finance Agency.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Agency (FHFA) is amending the mortgage reporting requirements in its regulation governing housing goals for the Federal Home Loan Banks (Banks) to make those requirements consistent with other data reporting requirements currently applicable to the Banks.

DATES: This rule is effective [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Charles E. McLean, Associate Director, (202) 408–2537, or Rafe R. Ellison, Senior Program Analyst, (202) 408–2968, Office of Housing and Regulatory Policy, 1625 Eye Street, NW., Washington, DC 20006. For legal matters, contact Kevin Sheehan, Assistant General Counsel, (202) 414–8952, or Sharon Like, Managing Associate General Counsel, (202) 414–8950, Office of General Counsel, Federal Housing Finance Agency, Fourth Floor, 1700 G Street, NW.,

Washington, DC 20552 (these are not toll-free numbers). The telephone number for the Telecommunications Device for the Hearing Impaired is (800) 877-8339.

SUPPLEMENTARY INFORMATION:

I. Background

A. Establishment of Bank Housing Goals

Section 1205 of the Housing and Economic Recovery Act of 2008 (HERA) amended the Federal Home Loan Bank Act (Bank Act) by adding a new section 10C that requires the Director of FHFA to establish housing goals with respect to the Banks' purchase of mortgages, if any. To implement section 10C, FHFA adopted a final rule establishing three single-family owner-occupied purchase money mortgage goals and one single-family refinancing mortgage goal applicable to the Banks' purchases of single-family owner-occupied mortgages, if any, under their Acquired Member Assets (AMA) programs. See 75 FR 81096 (Dec. 27, 2010).

B. Bank Housing Goals Mortgage Reporting Requirements

The Bank housing goals regulation requires each Bank to collect and compile computerized loan-level data on each AMA-approved mortgage purchased. See 12 CFR 1281.21(a). Each Bank is required to submit to the Director, on a semi-annual basis, a Mortgage Report containing aggregations of the loan-level mortgage data for year-to-date AMA-approved mortgage purchases, as well as year-to-date dollar volume, number of units, and number of AMA-approved mortgages on owner-occupied properties purchased that do, and do not, qualify under each housing goal. See 12 CFR 1281.21(b). The first semi-annual Mortgage Report must be submitted within 45 days of the end of the second quarter, and the annual Mortgage Report must be submitted within 60 days of the end of

the calendar year. See 12 CFR 1281.21(c). In addition, the Bank housing goals regulation currently provides that a Bank may revise its first semi-annual Mortgage Report for a year at any time before submission of its annual Mortgage Report. See 12 CFR 1281.21(d).

C. Data Reporting Manual Requirements

FHFA has established separate data reporting requirements for the Banks under the Data Reporting Manual (DRM). The data reporting requirements under the Bank housing goals regulation are similar to existing data reporting requirements under the DRM, but the requirements are not identical. Specifically, the DRM provides that data that is required to be reported on a semi-annual basis must be submitted within two calendar months of the end of the second quarter, or within two calendar months of the end of the year, as applicable. In addition, the DRM requires that any corrections to data submitted by a Bank must be made within 30 days of identifying the need for a correction. This requirement effectively limits a Bank's ability to submit a revised semi-annual Mortgage Report pursuant to 12 CFR 1281.21(d).

II. Analysis of Final Rule

A. Timing of Mortgage Reports—§ 1281.21(c)

In order to make the mortgage reporting schedule for the Banks under the Bank housing goals consistent with the DRM reporting schedule, the final rule amends § 1281.21(c) to allow the Banks two calendar months, rather than 45 days, from the end of the second quarter to submit the semi-annual Mortgage Report, and two calendar months, rather than 60 days, from the end of the year to submit the annual Mortgage Report.

B. Revisions to Mortgage Reports—§ 1281.21(d)

In order to make the data integrity provisions under the Bank housing goals consistent with the data integrity requirements under the DRM, the final rule removes paragraph (d) from § 1281.21. This change does not impose any new requirements on the Banks. The change simply makes clear that the data integrity reporting requirements established under the DRM continue to apply to all data submissions from the Banks.

C. Banks' and Enterprises' Differences

Section 1313 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, as amended, 12 U.S.C. 4513(f), requires the Director of FHFA to consider the differences between the Banks and the Enterprises (Fannie Mae and Freddie Mac) whenever promulgating regulations that affect the Banks. The changes in this final rule are intended to conform the data reporting requirements under the Bank housing goals to the Bank data reporting requirements under the DRM. FHFA has considered these procedural changes in light of the differences between the Banks and the Enterprises and has determined that the final rule is appropriate.

III. Paperwork Reduction Act

The final rule does not contain any information collection requirement that requires the approval of the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*).

IV. Notice and Public Participation

FHFA has determined that this rulemaking is exempt from the notice and comment requirements of the Administrative Procedure Act. Because the changes are procedural in nature and will not significantly affect a Bank's substantive rights, FHFA

has concluded that notice and comment are not required pursuant to 5 U.S.C. 553(b)(A). In addition, because the changes to part 1281 are minor technical changes that conform regulatory provisions to the data reporting requirements that FHFA has already imposed on the Banks, FHFA for good cause has concluded that notice and comment are unnecessary pursuant to 5 U.S.C. 553(b)(B).

V. Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act do not apply to regulations that are exempt from the notice and comment requirements of the Administrative Procedure Act. See 5 U.S.C. 604(a).

List of Subjects in 12 CFR Part 1281

Credit, Federal home loan banks, Housing, Mortgages, Reporting and recordkeeping requirements.

Authority and Issuance

For the reasons stated in the preamble, under the authority of 12 U.S.C. 1430c, FHFA amends part 1281 of title 12 of the Code of Federal Regulations as follows:

PART 1281—FEDERAL HOME LOAN BANK HOUSING GOALS

1. The authority citation for part 1281 continues to read as follows:

Authority: 12 U.S.C. 1430c.

2. Amend § 1281.21 as follows:

- a. Revise paragraph (c); and

- b. Remove paragraph (d) and redesignate paragraph (e) as new paragraph (d).

§ 1281.21 Mortgage Reports.

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(c) Timing of Reports. Each Bank shall submit its first semi-annual Mortgage Report within two calendar months of the end of the second quarter. Each Bank shall submit its annual Mortgage Report within two calendar months of the end of the calendar year.

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Edward J. DeMarco
Acting Director, Federal Housing Finance Agency.

December 15, 2011
Date

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